

S
637.12
Mal-2
Mar 3, 2000

DEPARTMENT OF LIVESTOCK



MARC RACICOT, GOVERNOR

301 N ROBERTS ST - RM 236
PO BOX 202001
HELENA, MONTANA 59620-2001

STATE OF MONTANA

(406) 444-2875 MILK CONTROL BUREAU

(406) 444-1432 FAX

BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANA

ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

STATE DOCUMENTS COLLECTION

MAR 07 2000

MONTANA STATE LIBRARY
1515 E. 6th AVE.
HELENA, MONTANA 59620

PUBLISHED: MAR 3, 2000
EFFECTIVE: APR 1, 2000
12:01 a.m.

PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

CLASS I PRICE FOR MILK TESTING 3.5% \$ 13.39 /CWT

EFFECTIVE APRIL 1, 2000:

The minimum price to pay milk producers, under ARM 32.24.301, is \$ 13.39 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of ten cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.00.

CLASS I BUTTERFAT PRICE PER POUND \$1.00 /LB

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5% \$10.92 /CWT

Average spray process dry milk solids

price per pound = \$1.01500

Multiplied by 8.2 x 8.2

\$8.32300

\$8.32300

PLUS +

Last quote of the month for Grade AA butter

minus a differential of \$.0895 = \$0.86050

Multiplied by 4.2 x 4.2

\$3.61410

+ \$3.61410

LESS a make allowance of 8.5% (\$11.9371 X .085)

\$11.93710
- \$1.01465

\$10.92245

Rounded to the nearest whole cent = \$10.92 /hundredweight.

CLASS II BUTTERFAT PRICE PER POUND**\$0.96 /LB**

Last quote of the month for Grade AA butter			
minus a differential of \$.0895	=	\$0.86050 X .111)	= \$0.09552
Rounded to the nearest half cent			= \$0.096

CLASS II VALUE OF ONE POUND OF SKIM**\$0.07834 /LB**

Butterfat value per pound	\$0.96
for milk at 3.5% test:	

Hundredweight price of milk testing 3.5%	=	\$10.92
LESS 3.5 pounds of butterfat at	\$0.96 per pound	- \$3.360

Value of 96.5 pounds of skim	=	\$7.560
------------------------------	---	---------

Value of one pound of skim	7.560 / 96.5 pounds)	= \$0.07834 /LB
----------------------------	----------------------	-----------------

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND**\$0.77 /LB**

Last quote of the month for Grade AA butter	
minus a difference of \$.0895	= \$0.86050
LESS 10%	\$0.08605

\$0.77445

Rounded to the nearest whole cent	\$0.77 per pound.
-----------------------------------	-------------------

CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED**\$6.90809 /CWT**

Avg. spray process dry milk solid price/lb	\$1.01500
Multiplied by 8.2	8.2

\$8.32300

LESS 17%	\$1.41491
----------	-----------

\$6.90809

Rounded to the nearest whole cent	\$6.91 per hundredweight.
-----------------------------------	---------------------------

CLASS III PRICE PER CWT FOR MILK TESTING 3.5%**\$9.36 /CWT**

3.5 pounds of butterfat	\$0.77 per pound =	\$2.695
96.5 pounds of skim	\$0.06908 per pound =	\$6.666

\$9.361 /CWT**BY ORDER OF THE MONTANA MILK CONTROL BUREAU**

Compiled by:

Marlys M. Mattfeldt
 Marlys M. Mattfeldt, Acting Bureau Chief
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$ 13.39 FOR 3.5% MILK 96.5 LBS = \$9.901		CLASS II SKIM PRICE BASED ON \$10.92 FOR 3.5% MILK 96.5 LBS = \$7.560		CLASS III SKIM PRICE BASED ON \$9.36 FOR 3.5% MILK 96.5 LBS = \$6.666	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.10155	2.50	\$0.07754	2.50	\$0.06837
2.55	\$0.10160	2.55	\$0.07758	2.55	\$0.06841
2.60	\$0.10166	2.60	\$0.07762	2.60	\$0.06844
2.65	\$0.10171	2.65	\$0.07766	2.65	\$0.06848
2.70	\$0.10176	2.70	\$0.07770	2.70	\$0.06851
2.75	\$0.10181	2.75	\$0.07774	2.75	\$0.06855
2.80	\$0.10186	2.80	\$0.07778	2.80	\$0.06858
2.85	\$0.10192	2.85	\$0.07782	2.85	\$0.06862
2.90	\$0.10197	2.90	\$0.07786	2.90	\$0.06865
2.95	\$0.10202	2.95	\$0.07790	2.95	\$0.06869
3.00	\$0.10207	3.00	\$0.07794	3.00	\$0.06872
3.05	\$0.10213	3.05	\$0.07798	3.05	\$0.06876
3.10	\$0.10218	3.10	\$0.07802	3.10	\$0.06880
3.15	\$0.10223	3.15	\$0.07806	3.15	\$0.06883
3.20	\$0.10229	3.20	\$0.07810	3.20	\$0.06887
3.25	\$0.10234	3.25	\$0.07814	3.25	\$0.06890
3.30	\$0.10239	3.30	\$0.07818	3.30	\$0.06894
3.35	\$0.10244	3.35	\$0.07822	3.35	\$0.06897
3.40	\$0.10250	3.40	\$0.07826	3.40	\$0.06901
3.45	\$0.10255	3.45	\$0.07830	3.45	\$0.06905
3.50	\$0.10260	3.50	\$0.07834	3.50	\$0.06908
3.55	\$0.10266	3.55	\$0.07838	3.55	\$0.06912
3.60	\$0.10271	3.60	\$0.07842	3.60	\$0.06915
3.65	\$0.10276	3.65	\$0.07846	3.65	\$0.06919
3.70	\$0.10282	3.70	\$0.07850	3.70	\$0.06922
3.75	\$0.10287	3.75	\$0.07855	3.75	\$0.06926
3.80	\$0.10292	3.80	\$0.07859	3.80	\$0.06930
3.85	\$0.10298	3.85	\$0.07863	3.85	\$0.06933
3.90	\$0.10303	3.90	\$0.07867	3.90	\$0.06937
3.95	\$0.10308	3.95	\$0.07871	3.95	\$0.06940
4.00	\$0.10314	4.00	\$0.07875	4.00	\$0.06944
4.05	\$0.10319	4.05	\$0.07879	4.05	\$0.06948
4.10	\$0.10325	4.10	\$0.07883	4.10	\$0.06951
4.15	\$0.10330	4.15	\$0.07887	4.15	\$0.06955
4.20	\$0.10335	4.20	\$0.07891	4.20	\$0.06959
4.25	\$0.10341	4.25	\$0.07896	4.25	\$0.06962
4.30	\$0.10346	4.30	\$0.07900	4.30	\$0.06966
4.35	\$0.10351	4.35	\$0.07904	4.35	\$0.06969
4.40	\$0.10357	4.40	\$0.07908	4.40	\$0.06973
4.45	\$0.10362	4.45	\$0.07912	4.45	\$0.06977
4.50	\$0.10368	4.50	\$0.07916	4.50	\$0.06980

PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 1999 and 2000

Statistics from the Montana Milk Control Bureau

Month	1999	2000	Difference	% Change
January	\$19.39	\$12.34	(\$7.05)	-36.36%
February	\$19.89	\$13.45	(\$6.44)	-32.38%
March	\$18.82	\$13.26	(\$5.56)	-29.54%
April	\$12.82	\$13.39	\$0.57	4.45%
May	\$14.17			
June	\$14.36			
July	\$13.81			
August	\$13.97			
September	\$16.14			
October	\$18.34			
November	\$18.81			
December	<u>\$14.04</u>			
Average	\$16.21	\$13.11	(\$4.62)	-23.46%

Prices are per hundredweight (CWT).

